

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	<u>Range Resources-Pine Mountain, Inc.</u>	)	VIRGINIA GAS
		)	AND OIL BOARD
RELIEF SOUGHT	<b>EXCEPTION TO STATEWIDE SPACING</b>	)	
	LIMITATIONS PRESCRIBED BY	)	DOCKET NO.
	VA. CODE § 45.1-361.17 (a) (2)	)	<u>VGOB-12-0221-3033</u>
	FOR <u>WELL NO. V-530325</u>	)	
		)	
		)	
LEGAL DESCRIPTION:		)	
	DRILLING UNIT SERVED BY WELL	)	
	NUMBERED <u>V-530325</u>	)	
	TO BE DRILLED IN THE LOCATION	)	
	DEPICTED ON <b>EXHIBIT A</b> HERETO,	)	
	<u>D.H. Vance Tract No. T-191</u>	)	
	<b>189.95 acres, more or less</b>	)	
	<u>CANEY RIDGE QUADRANGLE</u>	)	
	<u>KENADY DISTRICT</u>	)	
	<u>DICKENSON COUNTY, VIRGINIA</u>	)	
	(the "Subject Lands" are more particularly described	)	
	on <b>Exhibit "A"</b> , attached hereto and made a part	)	
	hereof)	)	

REPORT OF THE BOARD

FINDINGS AND ORDER

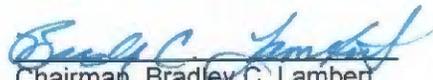
1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at **9:00 a.m.** on **February, 21, 2012** at the Russell County Conference Center, Highland Drive, Lebanon, Virginia.
2. Appearances: Timothy E. Scott of McKinnis & Scott, appeared for the Applicant. Evans Dotson and Betty Jo Dotson appeared *pro se*.
3. Jurisdiction and Notice: Pursuant to Va. Code §§ 45.1-361.1 *et seq.*, the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner having an interest in Subject Drilling Unit underlying and comprised of Subject Lands; and (2) represented to the Board that it has given notice to those parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code § 45.1-361.19 to notice of this application. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B. Whereupon, the

Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

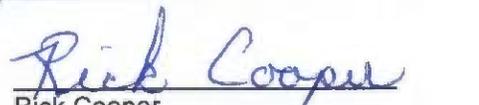
4. Amendments: None.
5. Dismissals: None.
6. Relief Requested: Applicant requests an exception to the statewide spacing limitations set forth in Va. Code § 45.1-361.17 for **Well No. V-530325**.
7. Relief Granted: The requested relief in this cause shall be and hereby is granted. The Board hereby grants Applicant consent to permit and drill proposed **Well No. V-530325** which is **1,832 feet from existing EQT Well No. P-153; 2,065 feet from existing EQT Well No. V-530016; 2,258 feet from existing EQT Well No. P-550450; and 2,438 feet from existing EQT Well No. P-135** at the location depicted on the Plat attached hereto as **Exhibit A**.
8. Special Findings: The Board specifically and specially finds:
  - 8.1 Applicant is **Range Resources-Pine Mountain, Inc.** Applicant is duly authorized and qualified to transact business in the Commonwealth of Virginia;
  - 8.2 Applicant **Range Resources-Pine Mountain, Inc.** is an operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia;
  - 8.3 Applicant claims ownership of Conventional Gas Leases of Subject Drilling Unit and the right to explore for, develop and produce Gas from Well No. **V-530325** as well as the right to participate and develop the reciprocal wells, being **Well Nos. P-153, V-530016, P-550450 and P-135**;
  - 8.4 The proposed Well No. **V-530325** is located on the **D.H. Vance Tract No. T-191 containing 189.95 acres** and the surface, coal, gas and oil owners, except as otherwise stated at the hearing, have consented to the proposed location for Well No. **V-530325** that is depicted on the Plat attached hereto as **Exhibit A**;
  - 8.5 The Applicant testified it has the right to operate and participate in the development of the reciprocal **Well Nos. P-153, V-530016, P-550450 and P-135** and that the granting of the application filed herein will not impact the correlative rights of any person;
  - 8.6 An exception to the well spacing requirements of Va. Code § 45.1-361.17 for Well No. **V-530325** is necessary to efficiently drain a portion of the common sources of supply (reservoir) underlying Subject Drilling Unit, and the Board's granting of the requested location exception is in the best interest of preventing the waste of **450** million cubic feet of Conventional Gas underlying the Subject Drilling Unit, and to generally effect the purposes of the Virginia and Oil Act;
  - 8.7 Applicant proposes the drilling of Well No **V-530325** to a depth of **5,691** feet on the Subject Drilling Unit at the location depicted on Exhibit A to produce all the Mississippian and Devonian Age formations including, but not limited to, **Ravencliff, Maxon, Big Lime, Weir, Berea and Devonian Shale**, from surface to total depth drilled, **5,691** feet ("Subject Formations");

- 8.8 Applicant proposes to drill Well No. V-530325 a distance of 435.00 feet closer to existing EQT Well No. V-530016; a distance of 242.00 feet closer to existing EQT Well No. P-550450; a distance of 62 feet from existing EQT Well No. P-135; and a distance of 668 feet closer to existing EQT Well No. P-153 than the 2500 feet mandated by statewide spacing;
- 8.9 Applicant proposes to complete and operate Well No. V-530325 for the purpose of producing Conventional Gas;
9. Conclusion: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED.**
10. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court. Such appeals must be taken in the manner prescribed in the Administrative Process Act, Va. Code Ann. § 9-6.14:1 *et seq.* and Rule 2A of the Rules of the Virginia Supreme Court.
11. Effective Date: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

DONE AND EXECUTED this 2 day of April, 2012, by a majority of the Virginia Gas and Oil Board.

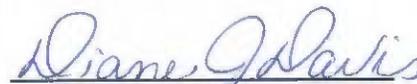
  
Chairman, Bradley C. Lambert

DONE AND PERFORMED this 2<sup>nd</sup> day of April, 2012, by Order of this Board.

  
Rick Cooper  
(Acting) Principal Executive to the Staff  
Virginia Gas and Oil Board

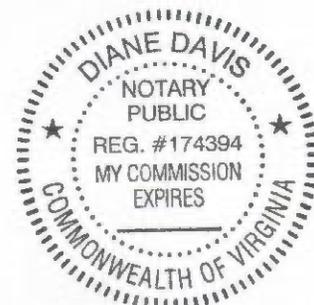
STATE OF VIRGINIA            )  
COUNTY OF RUSSELL        )

Acknowledged on this 2<sup>nd</sup> day of April, 2012, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and appeared Rick Cooper, being duly sworn did depose and say that he is (Acting) Principal Executive to the Staff of the Virginia Gas and Oil Board, that they executed the same and were authorized to do so.

  
Diane J. Davis, Notary  
174394

My commission expires: September 30, 2013

m sword2000\pmog\well.location.exception.V-530325.order February 22, 2012]



10,220'

Well Coordinates: (Geographic N27)  
37.053998° -82.409960°

Well Coordinates: (VA St. Plane S. Zone,  
NAD 83)

Latitude 37° 05' 00"

--- Mineral Line  
- - - - - Surface Line

N 3,566,878.96 E 10,342,300.87

Note 1: The boundary lines shown hereon are based  
on deeds, plats and maps of record and do not  
depict a current boundary survey.

Approx. Loc.  
P-135

Approx. Loc.  
P-550450

Lease No. 906889 / T-191  
D.H. Vance  
189.95 Acres  
Heartwood Forestland Fund IV, L.P. - surface  
ACIN LLC - coal  
Alpha Land & Reserves LLC - coal lessee  
WBRD LLC - coal  
Dickenson-Russell Coal Company LLC - coal lessee  
Range Resources-Pine Mountain, Inc. - oil & gas  
Gas 67.18 Ac. 59.61%

Lease No. 241645L  
Eva Adkins - surface, oil & gas  
42.09 Acres  
Gas 0.07 Ac. 0.06%

1250'R

N 47° 30' W  
2,258'

N 28° 06' E  
2,438'

Longitude 82° 22' 30"

N 22° 09' E  
194.90'

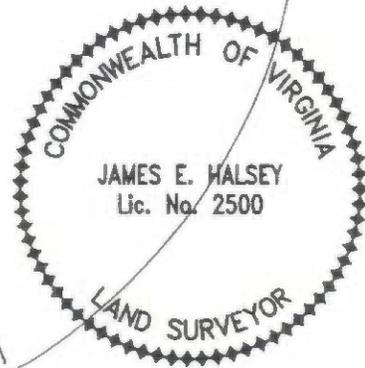
V-530325

S 63° 51' W  
198.37'

Lease No. 906889 / T-177  
J.F. Smith  
154.07 Acres  
ACIN LLC - coal  
Alpha Land & Reserves LLC - coal lessee  
WBRD LLC - coal  
Dickenson-Russell Coal Company LLC - coal lessee  
Range Resources-Pine Mountain, Inc. - oil & gas  
Gas 37.18 Ac. 33.00%

Ls. No. 450511806  
(Range Resources-Pine Mountain, Inc.)  
- Ls. No. 245752L  
(EQI Corp.)

Wilson Rose, Jr.  
S.R. & Sarah Adkins Heirs - surface, oil & gas  
32.5 Acres  
Gas 3.11 Ac. 2.76%



S 70° 58' W  
2,065'

V-530016

CBM  
VC-504485

Lease No. 906889 / T-103  
John Page  
60.24 Acres  
ACIN LLC - coal  
Alpha Land & Reserves LLC - coal lessee  
WBRD LLC - coal  
Dickenson-Russell Coal Company LLC - coal lessee  
Range Resources-Pine Mountain, Inc. - oil & gas  
Gas 5.15 Ac. 4.57%

Note 2: The well will be drilled within 10' of  
the permitted coordinates. Approx. Loc. P-153

Well Coordinates: (VA St. Plane S. Zone,  
NAD 27 Calculated from NAD 83)  
N 286,004.58 E 859,316.27

Well Coordinates: (Clinchfield Coal Co.)  
S 16,730.67 W 7,736.70

Well elevation determined by GPS  
survey from HARN Monument P-424

Area of Unit = 112.69 Ac.

WELL LOCATION PLAT NORA GRID BL-32

COMPANY Range Resources-Pine Mountain, Inc. WELL NAME AND NUMBER V-530325  
TRACT NO. Ls. No. 906889/T-191 ELEVATION 1,844.96' QUADRANGLE Caney Ridge  
COUNTY Dickenson DISTRICT Kenady SCALE 1" = 400' DATE 1-12-2012

This Plat is a new plat x; an updated plat     ; or a final location plat       
+ Denotes the location of a well on United States topographic Maps, scale 1 to  
24,000, latitude and longitude lines being represented by border lines as shown.

James E. Halsey  
Licensed Professional Engineer or Licensed Land Surveyor

Exhibit A

**Exhibit "B"**  
**Well Location Exception**  
**Well No. V-530325**

Tract No.	DEPTH -	5,691'
1, 2 & 3	Dickenson-Russell Coal Company Maxxim Shared Services, LLC Attn: Steve Smith 5703 Crutchfield Drive Norton, VA 24273	
1, 2 & 3	ALPHA Land & Reserves, LLC Attn: Steve Smith 5703 Crutchfield Drive Norton, VA 24273	
1, 2 & 3	WBRD LLC John Mooney 5260 Irwin Road Huntington, WV 25705-3247	
1, 2 & 3	ACIN LLC John Mooney 5260 Irwin Road Huntington, WV 25705-3247	
1, 2 & 3	EQT Production Company Attn: Tracy Coyne and Taylor Vactor 625 Liberty Avenue Suite 1700 Pittsburgh, PA 15222	
4	Eva Adkins P.O. Box 1966 Coeburn, VA	
5	Dicie Bise Fletcher Unknown  Minnie Bise Quillen Unknown  Alta Bise Watterson Unknown  Clyde Bise Unknown  Emma Jean Bise Unknown	

Curtis & Mable Bise  
4218 Hwy 144 S  
Glen Rose, TX 76043

Carlos "Carl" Bise  
Unknown

Corbett Bise  
Unknown

Lorine Rose  
Unknown

Arnold Rose  
Unknown

Hershel Rose  
Unknown

Roy Rose  
Unknown

Thurston & Betty Dotson  
3845 Kitl Drive  
Helena, Montana 59602-7323

Evans & Amy Dotson  
22809 East County Vista, Apt. 127  
Liberty Lake, WA 99019-7546

Hassel L. & Charlotte Dotson  
PO Box 728  
Osborn, ID 83849-0728

Linda Jean Hilton  
2931 Rockhouse Rd  
Coeburn, VA 24230-5030

Letha June & Donald Stanley  
PO Box 253  
Clintwood, VA 24228-1652

Betty Jo & Dovey Dotson  
PO Box 818  
Clintwood, VA 24228

Doris Adkins Perrine  
317 Senca Trl 1  
Ronceverte, WV 24970

Margaret & Henry Perry  
440 Avondale  
Marion, OH 43302

Barbara & Ralph Younce  
1103 Hill Street  
Coeburn, VA 24230

Mary Lou & William Younce  
PO Box 2341  
Coeburn, VA 24230

Jackie Edward Rose  
259 County Road 587  
Englewood, TN 37329

Virginia Denise & Richard D Gregory, Jr  
747 County Road 188  
Decator, TN 37322

Frank & Barbara Adkins  
770 May Ave  
Coeburn, VA 24230

Mary & Charles Deel  
4801 Mustang Rd  
Coeburn, VA 24230

Bobby Adkins  
3145 Possum Hollow  
Coeburn, VA 24230

Orbin Ralph & Lisa Adkins  
C/O Mary Deel  
4801 Mustang Rd  
Coeburn, VA 24230

Emily & Alan Charles  
8055 CR 16 A  
St. Augustine, FL 32092

Samantha Dawn Adkins  
by Gregory M Stewart, Guardian ad Litem  
C/O Tammy Harvey  
12018 Retford Rd  
PO Box 2266  
Coeburn, VA 24230

Joseph Michael Adkins  
by Gregory M Stewart, Guardian ad Litem  
C/O Tammy Harvey  
12018 Retford Rd  
PO Box 2266  
Coeburn, VA 24230

Donna & Dennis Miller  
PO Box 2  
Augusta Springs, VA 24411

Frank & Stephanie Hancock  
407 13th Street  
Waynesboro, VA 22980

Suzanne Hancock  
105 Bear Pen Rd  
Waynesboro, VA 22980

Alfred & Brenda Adkins  
PO Box 411  
Waynesboro, PA 17268

Imogene R. Adkins, widow  
P.O. Box 16085  
Bristol, VA 24209

Dudley Redden  
Gladys Charles Redden H/W  
118 Sport Street  
Pounding Mill, VA 24637

Angela Redden Back  
3717 Forrest Green Dr.  
Lexington, KY 40517

Jim Burke, Jr  
Unknown

Virgie Bostic  
Unknown

Emmitt Yates  
Unknown

Roland Yates, Jr  
Unknown

Minnie Pyle  
Unknown

Ralph Adkins  
Unknown

Jim Adkins  
Unknown

Timothy & Edith Redden  
5406 Dickenson Hwy  
Clintwood, VA 24228

Timothy & Edith Redden  
5406 Dickenson Hwy  
Clintwood, VA 24228